



PERSI CHOICE PLAN 401(K) Request for Distribution/Rollover Election Form RS 804 Instructions

Because you are no longer working for a PERSI employer, you may now receive your funds from the Choice Plan, or you may defer distribution to some future date. This summary illustrates your options and provides instructions for completing the required request form.

Choice Plan Payment Options at Retirement

If you have terminated employment and are retiring, disabled, a spouse beneficiary or if you have attained the Choice Plan's Normal Retirement Age (50), you may choose any of the following options:

- Lump sum paid directly to you (all or part of your account)
- Purchase Base Plan Service
- Rollover to an eligible retirement plan - 401(a), 401(k), 403(b), 457, or pre-tax IRA
- Leave your money in your Choice Plan account
- A combination of these options

If, in addition to the criteria listed above, your account balance is at least \$5,000 when you request the distribution, you may elect monthly installment payments from your Choice Plan Account:

- Fixed monthly amount (not to exceed 120 months), or
- Substantially equal payments over a fixed period of time not to exceed the joint life expectancy of you and your beneficiary, or yours if you have no beneficiary

Choice Plan Payment Options if You Terminate But Are Not Retiring

If you have terminated employment but are not retiring, disabled, a spouse beneficiary, or have not attained the Choice Plan's Normal Retirement Age (50), the following options are available to you.

- A lump sum paid directly to you (all or part of your account)
- A rollover to another eligible retirement plan that you have – 401(a), 401(k), 403(b), 457, or pre-tax IRA
- Leave your money in your Choice Plan account

Currently Working for PERSI Employer

A distribution from your PERSI Choice Plan is not available, as no distributable event has occurred, and you are still eligible to contribute to the Choice Plan. You may qualify for a loan, hardship withdrawal, or non-hardship withdrawal from your Choice Plan. Call Mellon at the toll-free number listed below to see what options you may have.

Distribution (Withdrawal) Options

Purchase Base Plan Service

You may convert all or part of your Choice Plan account to purchase service under the PERSI Base Plan. To take advantage of this option, you must be retiring and have completed the necessary paperwork within 90 days before your retirement date. Select Option "C" on the form, filling in "PERSI Base Plan" as the name of the eligible retirement plan.

Lump Sum Payment

You may withdraw all or part of your Choice Plan account. Any amounts that are eligible for rollover distributions are subject to federal income tax withholding of 20% and applicable state income tax withholding. You may also incur a federal 10% early distribution penalty if you are

under age 59½. Distributions that are not eligible for rollover (e.g., payments to a non-spouse beneficiary) generally will be subject to 10% federal withholding, unless you elect a different rate.

Leave Your Funds in the Choice Plan

If your account is greater than \$200, you may leave your funds in the Choice Plan until a later date or but not later than age 70½. By leaving money in the Plan and not taking a cash distribution, you defer paying taxes. If you decide to leave your money in the Plan, you will be responsible for the annual record keeping fee (currently \$30/year). This annual fee will be assessed monthly (\$2.50) beginning with the calendar month starting 90 days after you terminate or retire.

***Consolidate:** If you have funds in other retirement plans, you may be able to consolidate and transfer the money into your Choice Plan account by completing the “Rollover Contribution” process. The other plan must be a qualified retirement plan (401(a), 403(b), 401(k), 457, or pre-tax IRA). You must have a Choice Plan Account; if you withdraw your Choice Plan funds and close your account, the rollover contribution is no longer an option. For more details, please refer to the “RS Form 803 Rollover Contribution” form and its accompanying instruction sheet.*

Rollover to Eligible Retirement Plan or IRA

You may transfer your Choice Plan account balance via a direct rollover into an Eligible Retirement Plan [401(a), 401(k), 403(b), and 457] or pre-tax Individual Retirement Account (IRA). By transferring the money via direct rollover, you defer paying income taxes and avoid any early distribution penalty.

Completing the Choice Plan Form RS 804

Page 1: Complete all sections pertaining to “Member Information.” Check the box indicating the reason for the distribution as well as the date. Indicate the type of distribution(s) desired, and make sure the total equals 100%.

Page 2: Unless you elected an installment option, payment will be made by a check sent to your home. If you elected an installment option, you may elect the direct deposit feature as your payment method.

You **must** sign and date the form. **Send the completed form to ACS HR Solutions at the address on the form.**

Questions?

Try our web site www.persi.state.id.us/choice.htm
Call ACS HR Solutions (record keeper) at 1-866-437-3774, or
PERSI Choice Plan Department at 1-800-451-8228, ext. 317

The “**Special Tax Notice**” is part of this instruction sheet and is on the Web site. It provides a summary of federal tax rules that might apply to your distribution. Be sure to review it.

“**You Are About to Receive a Large Sum of Money**” is a brochure designed to help you understand the options available to you regarding your PERSI Choice Plan account balance. That brochure is on the Web site too.